

# **NIIT Technologies**

## **Financial Results Analysis**

### **FY06**

- Highlights
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  - For the Year
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- Consolidated Revenues at Rs 1662mn (Rs 1574Mn LQ)
  - Up 6% QoQ, 21% YoY
  - Launched Managed Services Business
  - BS 15000 certification for NTL Thailand
  - COPC certification for NSS
  - Capacity additions
- Operating profits at Rs 332Mn (Rs 305Mn LQ)
  - Up 9% QoQ, 35% YoY
  - Margins up at 20% (19% LQ)
  - BPO breaks even at operating level
  - Capacity utilization 76.6%
- Net Profits at Rs192Mn (Rs 180Mn)
  - Up 7% QoQ, 14% YoY
- Fresh order intake of \$ 31mn

- Consolidated Revenues at Rs 6075mn (Rs 5432Mn LY)
  - Up 12% YoY
  - 75% from focused verticals
  - 21% growth in areas of focus
  - Consistently YoY improvement every quarter
- Operating profits at Rs 1156Mn (Rs 969Mn LY)
  - Up 19% YoY
  - Margins improve 118bps to 19%
  - Annual Capacity utilization improves to 78.6% (LY 77.9%)
- Net Profits at Rs663Mn (Rs 585Mn LY)
  - Up 13% YoY
- USD 122mn intake during the year

- Travel & Transportation grows 25%
  - Number 3 in the industry (4th including BPO)
- Good Wins in BFSI, grows 19% YoY
  - Existing accounts continue growth
  - New accounts added
- Manufacturing & Retail grow 19% YoY
- NSS up 22%, Operating Break even in last quarter
- Processes strengthened- PCMM L5, BS 15000, BS 7799, COPC
- Acquired Controlling stake in Room Solutions on May 8, 2006

# Income Statement

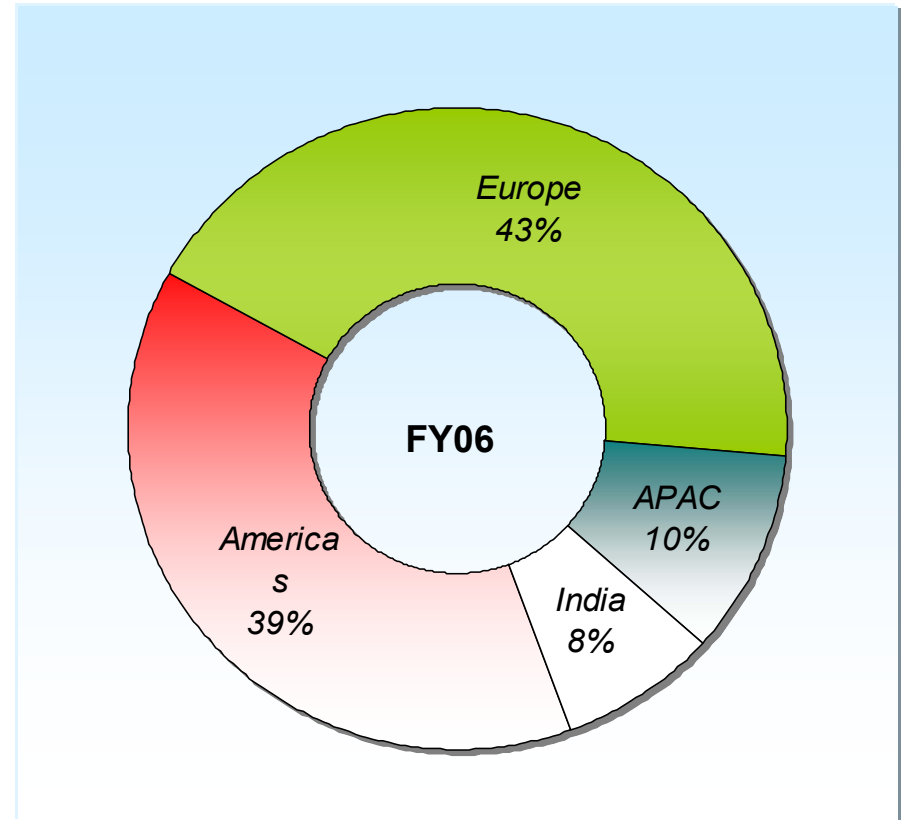
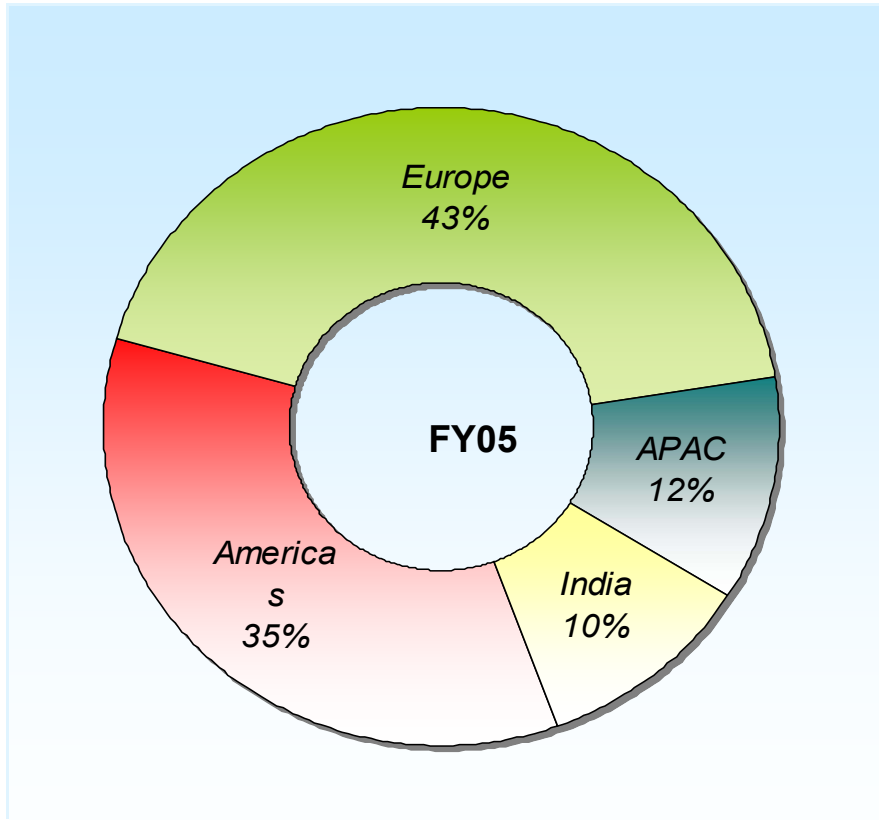
(Rs Mn)	Q1'06	Q2'06	Q3'06	Q4'06	FY06	YoY (%)
<b>Revenues</b>	<b>1365</b>	<b>1475</b>	<b>1574</b>	<b>1662</b>	<b>6075</b>	<b>12</b>
Expenses	1108	1213	1268	1330	4920	
<b>Operating Profit</b>	<b>257</b>	<b>261</b>	<b>305</b>	<b>332</b>	<b>1156</b>	<b>19</b>
OPM (%)	19	18	19	20	19	118bps
Depreciation	93	93	93	110	389	6
Other Income (net of interest)	-1	12	1	11	23	-28%
Tax	22	27	30	36	115	
<b>PAT after Minority Interest</b>	<b>140</b>	<b>151</b>	<b>180</b>	<b>192</b>	<b>663</b>	<b>13</b>
Net Margins (%)	10	10	11	11	11	14bps
<b>EPS</b>	<b>3.6</b>	<b>3.9</b>	<b>4.7</b>	<b>4.98</b>	<b>17.15</b>	<b>13</b>

- Consistent YoY revenue improvement in every quarter
- Net margins retained at 11%

# Balance Sheet

(Rs in mn)	Mar 31, 2005	Mar 31, 2006		Mar 31, 2005	Mar 31, 2006
Equity	386	386	Net Block	954	919
Reserves & Surplus	1966	2387	Capital WIP	1	30
<b>Net worth</b>	<b>2352</b>	<b>2773</b>	<b>Debtors</b>	<b>1189</b>	<b>1201</b>
<b>Secured Loans</b>	<b>540</b>	<b>420</b>	<b>Cash &amp; Equivalents</b>	<b>1366</b>	<b>1573</b>
Deferred tax Liability	5	0	Other Current Assets	435	608
			Current Liabilities	(1072)	(1184)
			Deferred tax Assets	23	46
	<b>2896</b>	<b>3194</b>		<b>2896</b>	<b>3194</b>

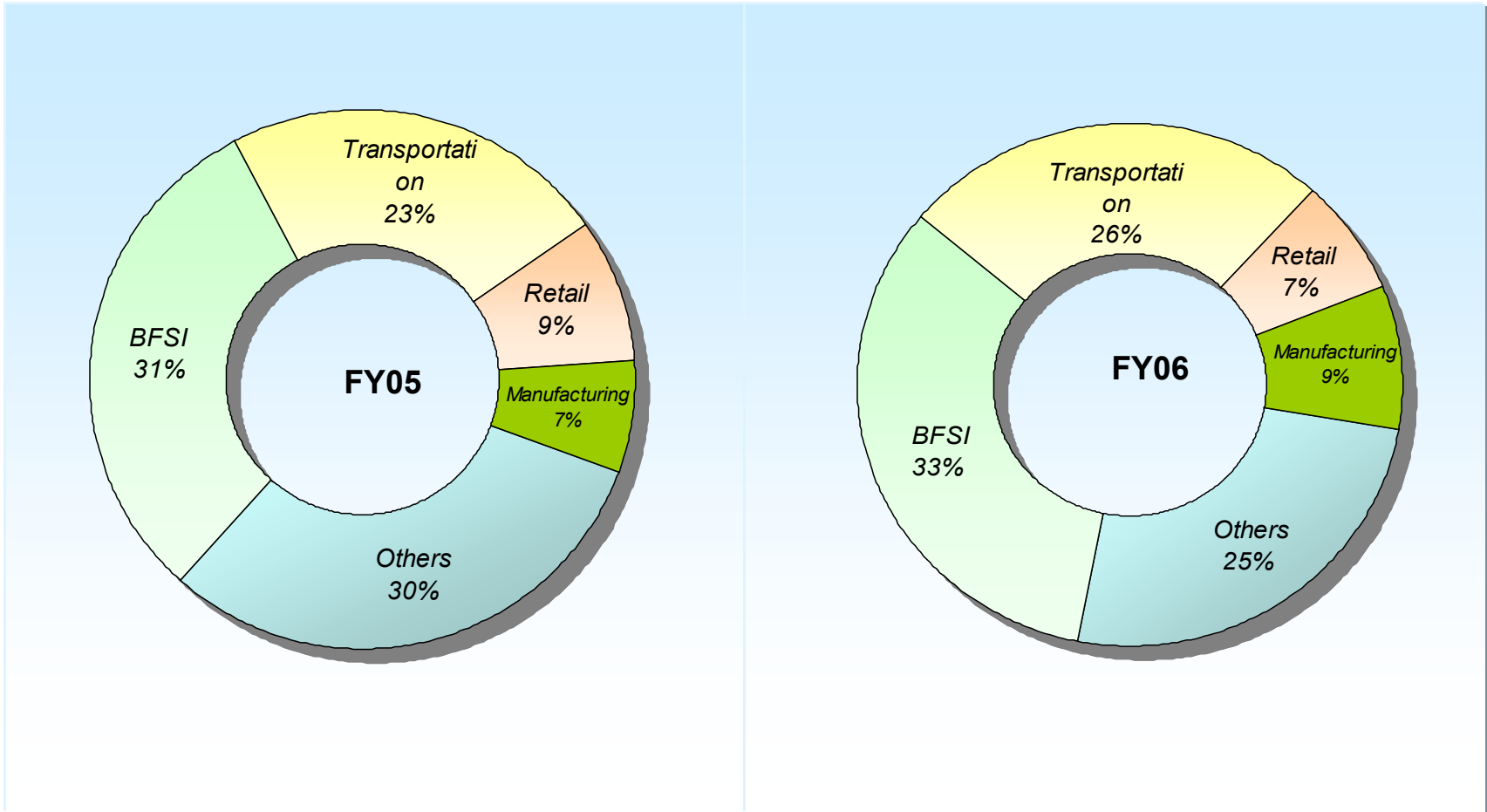
- DSOs improve to 72 days (down from 80 days LY)
- Asset additions of Rs 361mn (221mn FY05)
- Cash & cash equivalents Rs 1573 mn (Rs 1366Mn LY)



- Americas leads YoY growth at 23%

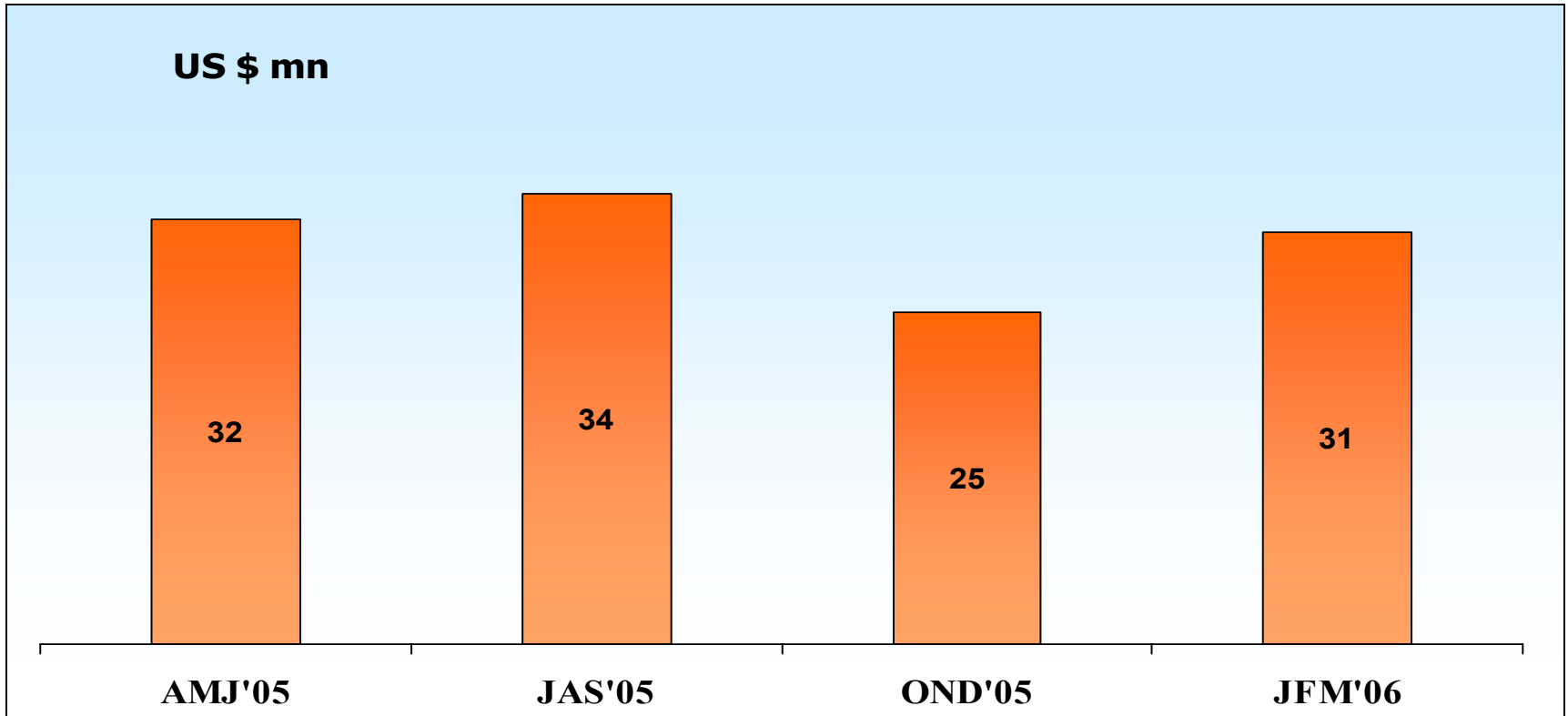


# Vertical Mix



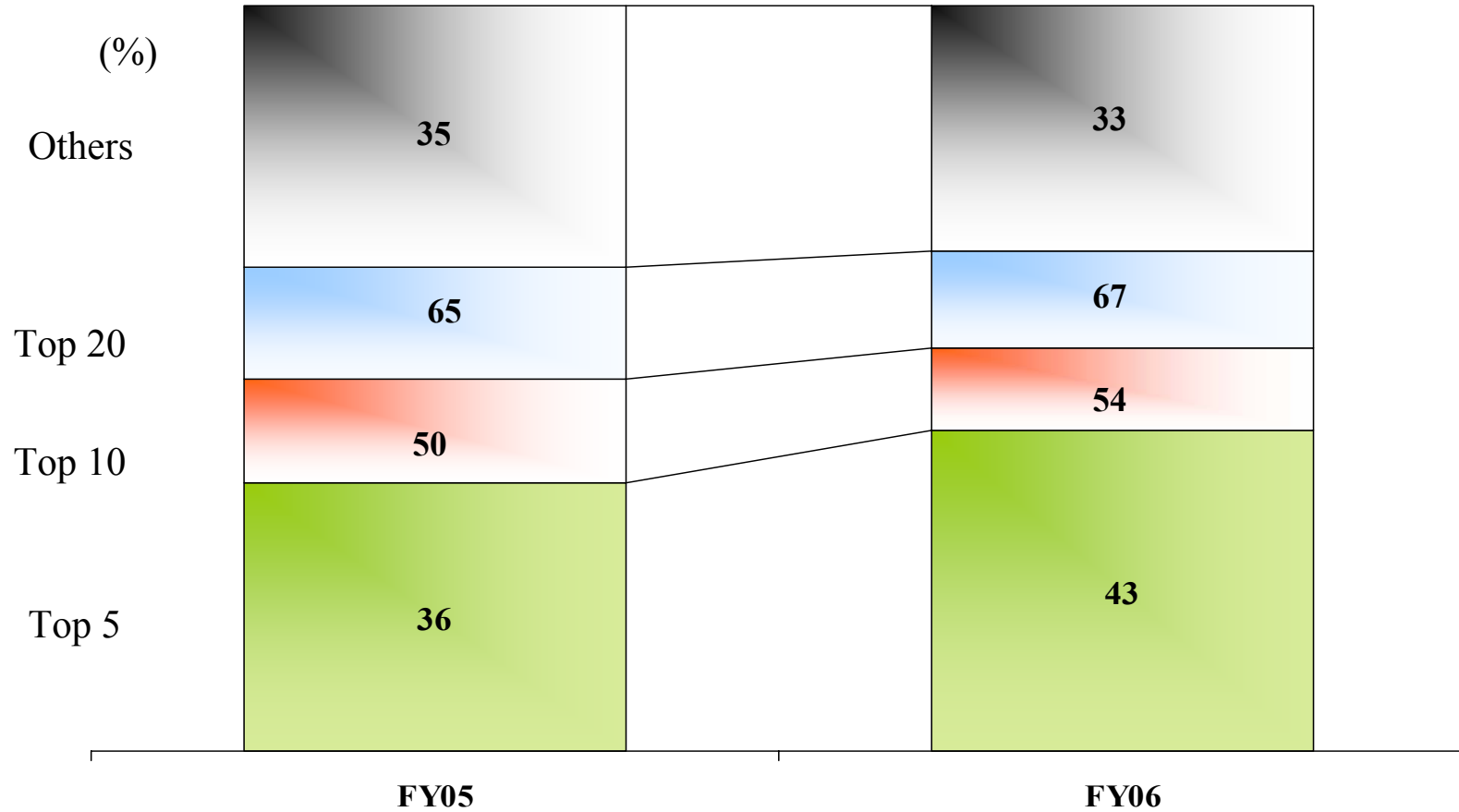
The focus verticals contribute 75% revenues, up from 69% last year reflecting growth of 21% YoY

# Order Intake



- 5 new significant customers added for the quarter, 23 in full year
- \$ 31Mn intake in the quarter leading to \$76mn of firm business executable over next 12 months

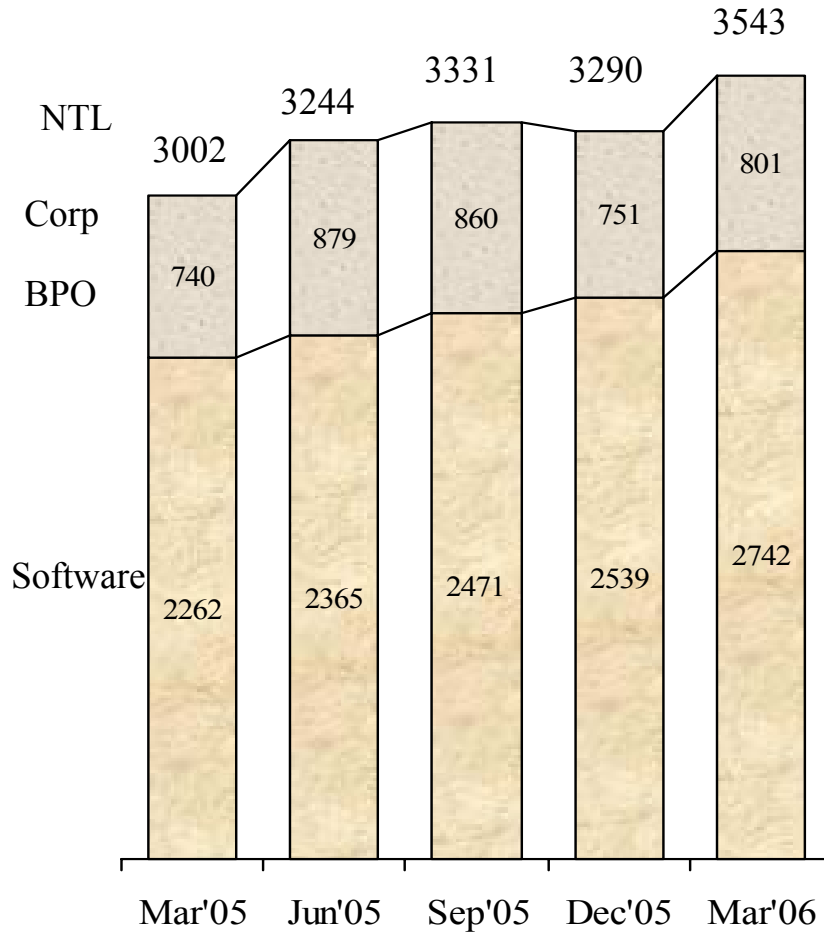
# Top Client Mix



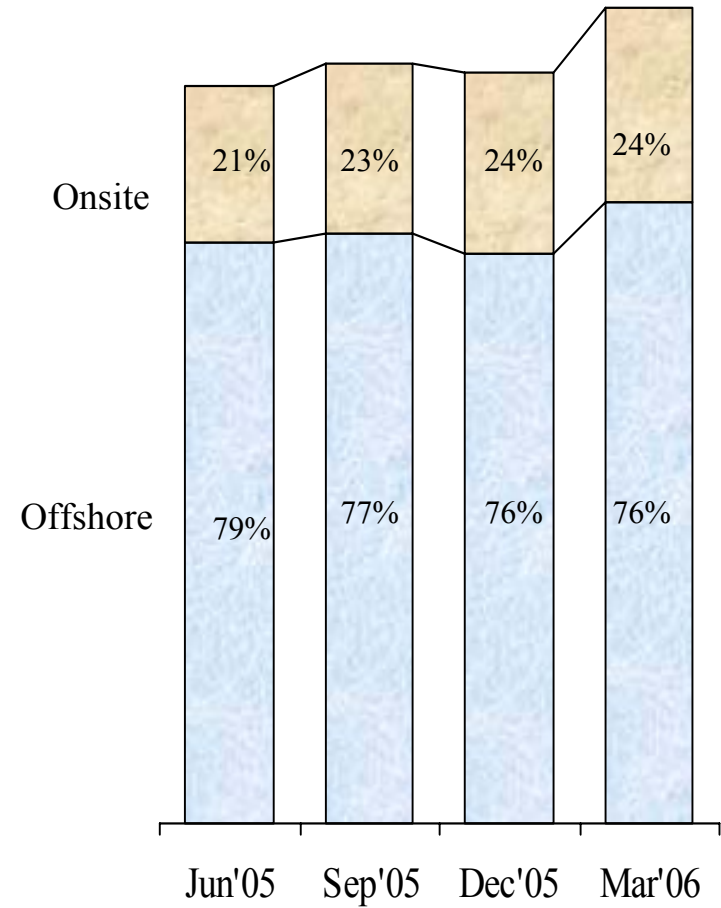
Strengthening Relationships with Top clients

# People Resources

## Segmental Mix



## On-Offshore Mix

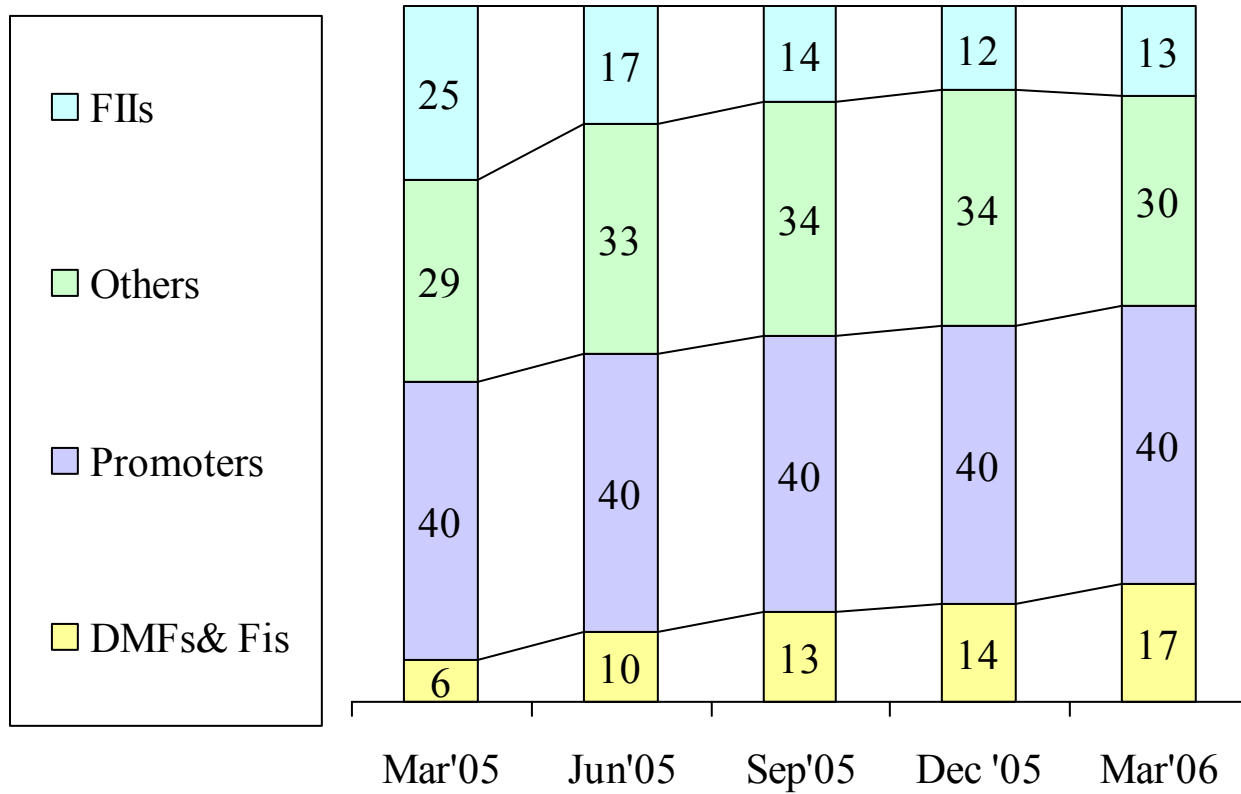


Net addition of 253 people last quarter, 541 in the year

# Summary

<b>(Rs Mn)</b>	<b>FY04-05</b>	<b>FY05-06</b>
Revenues	5432	6075
Operating Profit	969	1156
<i>OPM (%)</i>	<i>18</i>	<i>19</i>
PAT after Minority	586	663
EPS (Rs)	15.15	17.15
Capital Expenditure	221	361
People	3002	3543

# Shareholding Pattern



Proportion of Domestic Institutions stake increasing steadily

**Thank You**